

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: CORE SCIENTIFIC, INC., et al., Debtors.¹	§ § § § § § § §	Chapter 11 Case No. 22-90341 (CML) (Jointly Administered) Re: Docket Nos. 1052
---	--	---

**JOINT NOTICE OF AGREEMENT IN PRINCIPLE
REGARDING TERMS OF GLOBAL PLAN SETTLEMENT BETWEEN
THE DEBTORS, CREDITORS' COMMITTEE, AD HOC NOTEHOLDER
GROUP, EQUITY COMMITTEE, EQUITY COMMITTEE MEMBERS, AND B. RILEY**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On December 21, 2022, Core Scientific, Inc. and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), each filed with the United States Bankruptcy Court for the Southern District of Texas a voluntary case under the Bankruptcy Code.

2. Pursuant to the *Agreed Mediation Order Appointing Judge Marvin Isgur as Mediator Regarding Debtors’ Chapter 11 Plan*, entered on July 12, 2023 [Docket No. 1052] (the “**Agreed Mediation Order**”),² (i) the Debtors, (ii) an ad hoc group of the Debtors’ secured convertible noteholders (the “**Ad Hoc Noteholder Group**”), (iii) the Replacement DIP Lender, (iv) the Equipment Lenders, (v) the Creditors’ Committee, and (vi) the Equity Committee (collectively, the parties described in clauses (i)–(vi) above, the “**Mediation Parties**”) participated in a mediation with the Honorable Marvin Isgur, United States Bankruptcy Judge for the Southern District of Texas, as mediator (the “**Mediation**”).

3. On November 16, 2023, as a result of the Mediation, the Debtors, the Ad Hoc Noteholder Group, the Equity Committee, and the members of the Equity Committee, other than Foundry Digital LLC (the “**Equity Committee Members**” and, collectively with the Debtors, the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6074); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors’ corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Agreed Mediation Order.

Ad Hoc Noteholder Group, and the Equity Committee, the “**RSA Parties**”) entered into that certain *Restructuring Support Agreement* [Docket No. 1440, Exh. 1]. Also on November 16, 2023, the Debtors filed the solicitation versions of the (i) *Third Amended Joint Chapter 11 Plan of Core Scientific, Inc. and Its Affiliated Debtors* [Docket No. 1438] (the “**Plan**”) and (ii) *Disclosure Statement for Third Amended Joint Chapter 11 Plan of Core Scientific, Inc. and Its Affiliated Debtors* (the “**Disclosure Statement**”).

4. On November 17, 2023, the Court entered the *Order (I) Scheduling Combined Hearing on (A) Adequacy of Disclosure Statement and (B) Confirmation of Plan; (II) Conditionally Approving Disclosure Statement and Form and Manner of Notice of Conditional Disclosure Statement Hearing; (III) Establishing Solicitation and Voting Procedures; (IV) Establishing Notice and Objection Procedures for Confirmation of Proposed Plan; (V) Approving Notice Procedures for the Assumption or Rejection of Executory Contracts and Unexpired Leases; (VI) Approving Notice Procedures for Reinstatement of Claims; (VII) Establishing Rights Offering Procedures; and (VIII) Granting Related Relief* [Docket No. 1447] (the “**Disclosure Statement Order**”), which, among other things, conditionally approved the Disclosure Statement, approved certain procedures for the solicitation of and voting on the Plan, and established certain dates and deadlines in connection therewith. On November 18, 2023, the Debtors commenced solicitation of the Plan. *See* Docket No. 1451.

5. On December 5, 2023, (i) the RSA Parties, (ii) the Creditors’ Committee, and (iii) B. Riley Commercial Capital, LLC and BRF Finance Co., LLC (and any assignees thereof) (collectively, “**B. Riley**”) began participating in further Mediation before Judge Isgur (the “**Continued Mediation**”) in an effort to resolve the disputes between the RSA Parties and the Creditors’ Committee with respect to the Plan. Since that time, the RSA Parties, the Creditors’ Committee, and B. Riley have worked with Judge Isgur to achieve a global settlement of Plan issues.

6. Earlier today, following good faith negotiations as part of the Continued Mediation, the RSA Parties, the Creditors’ Committee, and B. Riley reached an agreement in principle with respect to the terms of a global settlement of Plan issues between such parties (the “**Global Plan Settlement**”). The Debtors believe that the Global Plan Settlement represents a significant milestone in these chapter 11 cases and will enable the Debtors to proceed towards confirmation with the support of all key stakeholder groups.

7. To provide the parties with additional time to (i) finalize updates to the Plan to reflect the Global Plan Settlement and (ii) serve the updated Plan and a supplement to the Disclosure Statement on certain voting creditors and equity holders, the Debtors are adjourning the combined hearing to consider final approval of the Disclosure Statement and confirmation of the Plan from December 22, 2023 at 10:00 am CT to **January 10, 2024 at 1:00 pm CT** (the “**Combined Hearing**”). The Debtors intend to file a motion this week requesting that the Court modify certain dates and deadlines set forth in the Disclosure Statement Order, including an extension of the deadlines to vote on the Plan and/or file an objection to the Plan. In light of the adjournment of the Combined Hearing, the Debtors also intend to cancel the emergency hearing on the *Debtors’ Emergency Motion for Entry of an Order Establishing Disputed Claim Amounts for Calculation and Distribution Purposes Under Debtors’ Proposed Joint Chapter 11 Plan of Reorganization* (Docket No. 1525) (the “**Disputed Claims Motion**”) and ask that Court consider

the Disputed Claims Motion on normal notice subject to the 21-day objection period (i.e. December 28, 2023).

Dated: December 18, 2023
Houston, Texas

Respectfully submitted,

/s/ Alfredo R. Pérez

WEIL, GOTSHAL & MANGES LLP
Alfredo R. Pérez (15776275)
Clifford W. Carlson (2409024)
700 Louisiana Street, Suite 1700
Houston, Texas 77002
Telephone: (713) 546-5000
Facsimile: (713) 224-9511
Email: Alfredo.Perez@weil.com
Clifford.Carlson@weil.com

-and-

WEIL, GOTSHAL & MANGES LLP
Ray C. Schrock (admitted *pro hac vice*)
Ronit J. Berkovich (admitted *pro hac vice*)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Email: Ray.Schrock@weil.com
Ronit.Berkovich@weil.com

*Attorneys for Debtors
and Debtors in Possession*

/s/ James T. Grogan III

PAUL HASTINGS LLP
James T. Grogan III (TX Bar No. 24027354)
600 Travis Street, 58th Floor
Houston, Texas 77002
Telephone: (713) 860-7300
Facsimile: (713) 353-3100
Email: jamesgrogan@paulhastings.com

-and-

Kristopher M. Hansen (admitted *pro hac vice*)
Sayan Bhattacharyya (admitted *pro hac vice*)
Emily Kuznick (admitted *pro hac vice*)
Joanne Lau (admitted *pro hac vice*)
200 Park Avenue
New York, New York 10166
Telephone: (212) 318-6000
Facsimile: (212) 319-4090
Email: krishansen@paulhastings.com
sayanbhattacharyya@paulhastings.com
emilykuznick@paulhastings.com
joannelau@paulhastings.com

Counsel to the Ad Hoc Noteholder Group

-and-

Dated: December 18, 2023
New York, New York

Respectfully submitted,

/s/ David S. Meyer

VINSON & ELKINS LLP

David S. Meyer (admitted *pro hac vice*)
Lauren R. Kanzer (admitted *pro hac vice*)
1114 Avenue of the Americas
32nd Floor
New York, NY 10036
Tel: (212) 237-0000
Fax: (212) 237-0100
dmeyer@velaw.com; lkanzer@velaw.com

-and-

Paul E. Heath (Texas Bar No. 09355050)
Harry A. Perrin (Texas Bar No. 15796800)
Matthew J. Pyeatt (Texas Bar No. 24086609)
Kiran Vakamudi (Texas Bar No. 24106540)
845 Texas Avenue
Suite 4700
Houston, TX 77002
Tel: (713) 758-2222
Fax: (713) 758-2346
pheath@velaw.com; hperrin@velaw.com;
mpyeatt@velaw.com; kvakamudi@velaw.com

*Counsel for the Official Committee
of Equity Security Holders*

Dated: December 18, 2023
Houston, Texas

Respectfully submitted,

/s/ Jennifer J. Hardy

WILLKIE FARR & GALLAGHER LLP

Jennifer J. Hardy (Texas Bar No. 24096068)
600 Travis Street
Houston, Texas 77002
Telephone: 713-510-1700
Facsimile: 713-510-1799
Email: jhardy2@willkie.com

-and-

Brett H. Miller (admitted *pro hac vice*)
Todd M. Goren (admitted *pro hac vice*)
James H. Burbage (admitted *pro hac vice*)
787 Seventh Avenue
New York, New York 10019
Telephone: 212-728-8000
Facsimile: 212-728-8111
Email: bmillier@willkie.com
tgoren@willkie.com
jburbage@willkie.com

*Counsel for the Official Committee
of Unsecured Creditors*

Dated: December 18, 2023
Boston, Massachusetts

Respectfully submitted,

/s/ Hampton Foushee

CHOATE, HALL & STEWART LLP

Hampton Foushee (MA Bar No. 708678)
Douglas R. Gooding (MA Bar No. 558976)
John F. Ventola (MA Bar No. 567972)
Two International Place
Boston, MA 02110
Telephone: (617) 248-5000
Email: hfoushee@choate.com
dgooding@choate.com
jentola@choate.com

*Counsel to B. Riley Commercial Capital, LLC
and BRF Finance Co, LLC*

Certificate of Service

I hereby certify that on December 18, 2023 a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Alfredo R. Pérez

Alfredo R. Pérez